

## 19 Nonadmitted Insurance Tax Return

570

Calendar quarter during which the taxable insurance contract(s) took effect or was renewed.

Period ending: ☐ March ☐ June ☐ September ☐ December

Name(s) of policy holder

Social security number, California corporation number, F.E.I.N. or Secretary of State file number

Address (number and street including apartment number, P.O. box or rural route)

City, state and ZIP code (or equivalent)

Check entity type:

☐ Corporation ☐ Partnership ☐ Limited Liability Company ☐ Individual ☐ Other (specify) \_\_\_\_\_





List the name of each nonadmitted insurance company and the type of coverage for each contract entered into or renewed during the calendar quarter.

## Part I Tax Computation

1	Premiums paid or to be paid on risks located entirely within California . . . . .	1		
2	Allocated premiums paid or to be paid on risks located within and outside of California (from line 17). See instructions . . . . .	2		
3	Total taxable premiums. Add line 1 and line 2 . . . . .	3		
4	Tax rate of 3.0% . . . . .	4		.03
5	Total tax. Multiply line 3 by line 4 . . . . .	5		
6	Enter 3% of returned premiums previously taxed. Gross premiums returned \$ _____ . . . . .	6		
7	Credit from prior quarters. . . . .	7		
8	Total credits. Add line 6 and line 7 . . . . .	8		
9	<b>Balance.</b> If line 5 is greater than line 8, subtract line 8 from line 5 . . . . .	9		
10	Penalty. See instructions . . . . .	10		
11	Interest on late payment. See instructions . . . . .	11		
12	<b>Total payment due.</b> Add line 9, line 10 and line 11. Make check or money order payable to the Franchise Tax Board. See instructions . . . . .	12		
13	<b>Overpayment.</b> If line 5 is less than line 8, subtract line 5 from line 8 . . . . .	13		
14	Overpayment amount to be credited to the next quarter . . . . .	14		
15	<b>Refund.</b> Subtract line 14 from line 13. . . . .	15		

## Part II Allocation

16	Premiums paid or to be paid on risks located within and outside of California . . . . .	16		
17	Portion of premiums on line 16 allocated to California pursuant to R&TC Section 13210(b). See instructions. Enter an amount here and on line 2. Attach a schedule of your computation . . . . .	17		

Please Sign Here	Under penalties of perjury, I declare that I have examined this return including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.			
	 _____ Signature of elected officer or authorized person		 _____ Date	
Paid Preparer's Use Only	Preparer's signature 	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security no.
	Firm's name (or yours, if self-employed) and address 			F.E.I.N.

For Privacy Act Notice, see form FTB 1131 (individuals only).

# Instructions for Form 570

## Nonadmitted Insurance Tax Return

References in these instructions are to the California Revenue and Taxation Code and the Insurance Code.

### General Information

#### A Purpose of Form

Use Form 570 to determine the tax on premiums paid or to be paid to nonadmitted insurers on contracts covering risks in California. Also use Form 570 to file an amended return. If you use Form 570 to file an amended return, print "Amended Return" in red at the top of Side 1.

#### B Who Must Pay Tax

The tax is imposed on any corporation, partnership, limited liability company, individual, bank, society, association, organization, joint stock company, estate or trust, receiver, trustee, assignee, referee or any other person acting in a fiduciary capacity who independently purchases or renews an insurance contract during the calendar quarter from an insurer not authorized to transact business in California.

If you do not know if the insurer is authorized to conduct business in California, call the Franchise Tax Board (FTB) at (916) 845-4900, and ask for the Insurance Premiums Desk.

The tax will **not** be imposed on:

- insurance coverage for which a tax on the gross premium is due or has been paid by surplus line brokers pursuant to Insurance Code Section 1775.5;
- gross premiums paid and returned premiums received related to businesses governed by provisions of Insurance Code Section 1760.5; or
- insurance coverage for which a tax on the gross premium is due or has been paid by risk retention groups pursuant to Insurance Code Section 132.

#### C Tax Rate

The tax rate is 3%. This rate is applied to the gross premium paid or to be paid less the premiums returned because of cancellation or reduction of premium on which a tax has been paid.

#### D When and Where to File

File Form 570 on or before the first day of the third month following the close of any calendar quarter during which a nonadmitted insurance contract took effect or was renewed.

Mail Form 570 to:

**Franchise Tax Board  
P.O. Box 942867  
Sacramento, CA 94267-0001**

### E Interest

The FTB will compute any interest owed to you on refunds.

If the overpayment results from the correction of an error, interest will be allowed from the date of the overpayment.

If the overpayment results from an excess of returned premiums over premiums paid or to be paid during the quarter, interest will be allowed if the overpayment is not credited to a succeeding quarter and the refund is not paid within 120 days after the claim for refund is filed, or within 120 days after the due date of the return, whichever is later.

### Specific Instructions

#### Part I Tax Computation

**Line 1** – Enter premiums paid or to be paid to a nonadmitted insurer on risks located entirely within California for contracts entered into or renewed during the calendar quarter.

**Line 2** – Complete Part II and enter the amount from line 17.

**Line 6** – Enter 3% of the premiums returned during the calendar quarter because of cancellation or reduction of premiums. The returned premiums must have previously been taxed.

**Line 7** – Enter the amount credited from prior quarters.

**Line 10** – If you fail to pay the tax due by the due date, a penalty of 10% will be imposed. Enter 10% of the amount of tax due for failure to pay the tax by the due date.

A penalty of 25% of the amount of tax due will be imposed when nonpayment or late payment is due to fraud.

**Line 11** – Interest will be charged on any late payment from the due date to the date paid. Interest compounds daily and the interest rate is adjusted twice a year. If you do not include interest with your payment, or include only a portion of it, the FTB will figure the interest and bill you for it.

**Line 12** – Enter the total amount due. Make your check or money order payable to the "Franchise Tax Board." Be sure to write the appropriate month (March, June, September or December), "1995 Form 570" and your social security number, California corporation number or F.E.I.N. on your check.

**Line 14** – Enter the amount of overpayment to be credited to your next return.

**Line 15** – Subtract line 14 from line 13 to determine the amount of the overpayment to be refunded.

### Part II Allocation

**Line 16** – Enter the total premiums paid or to be paid on contracts covering risks located within and outside of California for contracts entered into or renewed during the calendar quarter.

**Line 17** – Enter the amount of premiums on line 16 that are allocated to California. You must attach a schedule showing how you determined the allocation.

The amount of the premium allocated to California is determined by the proportion that the risk in California bears to the total risk. The risk must be computed using any single standard rating method in use in all states or countries where the insurance applies or, with prior approval of the FTB, any other reasonable basis.

Allocate each contract individually if more than one contract was entered into or renewed during the calendar quarter.

Entities with interstate motor transit operations conducted between California and other states should enter the entire premium charged on all nonadmitted insurance less:

- the portion of the premium taxed by other states for operations in those states if you maintain your headquarters office in California; and
- the portion of the premium for any operations outside of California if you maintain a headquarters operating office outside of California and a branch office in California.

Enter this amount on Part II, line 17 and Part I, line 2.

For more information regarding allocation, contact the FTB at (916) 845-4900, and ask for the Insurance Premiums Desk.